



The Commonwealth of Massachusetts
DEPARTMENT OF
TELECOMMUNICATIONS AND ENERGY

NOTICE OF FILING AND PUBLIC HEARING

D.T.E. 05-29

April 7, 2005

Petition of Fitchburg Gas and Electric Light Company for Approval of an Offer of Settlement Regarding the Recovery of Deferred Restructuring-Related Costs.

On April 4, 2005, Fitchburg Gas and Electric Light Company ("Fitchburg" or "Company"), the Attorney General of the Commonwealth, the Associated Industries of Massachusetts, and the Low-income Weatherization and Fuel Assistance Program Network filed with the Department of Telecommunications and Energy ("Department") an offer of settlement ("Settlement") regarding the recovery of approximately \$27.5 million in deferred restructuring-related costs accumulated pursuant to the Company's restructuring plan as approved by the Department in Fitchburg Gas and Electric Light Company, D.T.E. 97-115/98-120 (1999).

According to the Company, if it were to implement increases to its transition charge at the levels authorized by its approved restructuring plan, significant rate impacts would occur. To address these rate impacts, the proposed Settlement contains a retail rate plan starting June 1, 2005, under which increases to Fitchburg's transition charge in 2005 will occur as there are decreases in other rate components for residential basic (default) service customers. In addition, to mitigate the transition charge increase on the residential low-income customer class resulting from the end of standard offer service, the proposed Settlement provides that the transition charge for the RD-2 rate class will be discounted by 40 percent to match the discount that this class currently receives. Also, the proposed Settlement provides that under-recovered standard offer service charges, standard offer service fuel adjustment charges, and default service charges will be deferred with interest until January 1, 2010.

Finally, the proposed Settlement provides for an arrearage forgiveness - credit counseling low-income pilot program. Pursuant to the terms of the proposed Settlement, the costs in excess of the benefits of the program will be deferred with interest and recovered over a period to be determined in the Company's next distribution rate proceeding.

The Department will hold a public hearing to receive comments on the Settlement on April 26, 2005, at 3:00 p.m., at the Department's offices, One South Station, Boston, Massachusetts. Any person who desires to comment may do so at the time and place noted above or submit written comments no later than the close of business (5:00 p.m.) on April 19, 2005. The Department will conduct a procedural conference immediately following the conclusion of the public hearing.

Any person who desires to participate in the evidentiary phase of this proceeding must file a written petition for leave to intervene with the Department not later than the close of business (5:00 p.m.) on April 19, 2005. A petition for leave to intervene must satisfy the timing and substantive requirements of 220 C.M.R. § 1.03. Receipt by the Department, not mailing, constitutes filing and determines whether a petition has been timely filed. A petition filed late may be disallowed as untimely, unless good cause is shown for waiver under 220 C.M.R. § 1.01(4). To be allowed, a petition under 220 C.M.R. § 1.03(1) must satisfy the standing requirements of G.L. c. 30A, § 10.

An original and three (3) copies of all written comments or petitions to intervene must be filed with Mary L. Cottrell, Secretary, Department of Telecommunications and Energy - One South Station - 2nd Floor, Boston, Massachusetts 02110, not later than the close of business on the dates noted above. One copy of all written comments or petitions to intervene should also be sent to the Company's attorney, Gary Epler, Esq., Fitchburg Gas and Electric Light Company, 6 Liberty Lane West, Hampton, New Hampshire, 03842-1720.

All written pleadings or comments also must be submitted to the Department in electronic format using one of the following methods: (1) by e-mail attachment to dte.efiling@state.ma.us and John.Geary@state.ma.us, or (2) on a 3.5" disk, IBM-compatible format. The text of the e-mail or the disk label must specify: (1) the docket number of the proceeding (D.T.E. 05-29), (2) name of the person or company submitting the filing, and (3) a brief descriptive title of the document. The electronic filing should also include the name, title, and phone number of a person to contact in the event of questions about the filing. Text responses should be written in either Corel Word Perfect (naming the document with a ".wpd" suffix), in Microsoft Word (naming the document with a ".doc" suffix), or as an Adobe PDF file (naming the document with a ".pdf" suffix). Data or spreadsheet responses should be compatible with Microsoft Excel. All written pleadings or comments submitted in electronic format will be posted on the Department's Website, <http://www.mass.gov/dte>.

A copy of the Settlement is available for inspection at the Department's offices, One South Station, Boston, Massachusetts, during normal business hours (Monday through Friday - 9:00 a.m. to 5:00 p.m.). Copies are also on file for public viewing at the offices of the Company, 285 John Fitch Highway, Fitchburg, Massachusetts. Any person desiring further information regarding the Settlement should contact Gary Epler, Esq. at (603) 773-6440. Any person desiring further information regarding this notice should contact John J. Geary, Hearing Officer, Department of Telecommunications and Energy at (617) 305-3500.



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DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

ORDER OF NOTICE

D.T.E. 05-29

April 7, 2005

Petition of Fitchburg Gas and Electric Light Company for Approval of an Offer of Settlement Regarding the Recovery of Deferred Restructuring-Related Costs.

Fitchburg Gas and Electric Light Company ("Fitchburg" or "Company") shall, no later than April 12, 2005, publish the attached notice (1) in either the Boston Globe or the Boston Herald, and (2) the Fitchburg-Leominster Sentinel. Fitchburg shall also serve a copy of the notice on the service lists for Fitchburg Gas and Electric Light Company, D.T.E. 97-115/98-120 (1999), Fitchburg Gas and Electric Light Company, D.T.E. 99-110 (2000), and Fitchburg Gas and Electric Light Company, 01-103 (2002), and to any person who has filed a request for notice with the Company. Fitchburg is required to make return of service at the time of the public hearing.

By Order of the Department,

Mary L. Cottrell, Secretary